

**SR 520 Montlake Project
Jan. 30 public meeting follow-up questions and answers**

Below are answers from the Washington State Department of Transportation to the most commonly asked write-in questions the department received from individuals who took a Jan. 30-Feb. 14 online survey regarding the upcoming Montlake Project and its effect on the Montlake Market and 76 gas station property.

1. Question: If WSDOT's Montlake Project contractor can avoid a direct impact on the Montlake Market, does WSDOT still need to purchase the property?

Response: While we are working to determine whether we can preserve the market building and an operating market business, WSDOT still needs the underlying property that both businesses occupy. The primary reason, described further below, is that permanent elements of the Montlake Project must be built on a portion of the property. In addition, to maintain safe public travel during construction, temporary roadway and sidewalk routes will pass through the property.

- i. **Permanent improvements:** As we outlined at our Montlake public meetings in November 2018 and January 2019, permanent project elements will be built on a sizable part of the gas-station portion of the property – directly through the pump areas. We'll also need to permanently close the gas station's driveways along the SR 520 off-ramp and Montlake Boulevard. The Montlake Project improvements include wider and higher eastbound SR 520 on-ramps and off-ramps at Montlake Boulevard, and a westward extension of the 14-foot-wide SR 520 Trail, eventually crossing a new Portage Bay Bridge. These elements require permanent closure of the station.
- ii. **Traffic shifts:** Whether or not the market can be preserved, temporary traffic shifts during Montlake Project construction will unavoidably divert traffic through the gas station property. In addition, while Graham Contracting Ltd., the Montlake Project contractor, is hopeful its construction plans can avoid directly impacting the market building, that avoidance is not a certainty. If during construction Graham's plans for replacing a 54-inch-diameter city water line under SR 520 and avoiding a 108-inch-diameter combined sewer line prove unfeasible, shifting traffic farther to the west could require removal of part of the market building. WSDOT and Graham must plan for and manage this risk *before* construction starts.
- iii. **Construction staging:** Purchasing the property also allows for more efficient and cost-effective staging of construction materials, equipment and crews. Much of the work of reconstructing the Montlake interchange must be done within tight space and time constraints to avoid severe traffic disruption and ensure the safety of people traveling in the area. Maintaining the construction schedule and containing costs requires that machinery and materials be as close to the work site as possible. Identifying construction staging areas within the city of Seattle can be difficult. In addition, WSDOT's contract with Graham prohibits Graham crews from parking their vehicles on city streets during construction, which forces them to find other parking locations.

If the market and gas station property is not available for staging, WSDOT – and taxpayers – will incur additional costs to stage equipment and staff farther away from the project area. Moreover, WSDOT must balance the need for staging as close to the project area as possible with the community effects that more-distant staging areas potentially could have on public mobility and adjacent neighborhoods.

- iv. **Safety:** The safety of the traveling public – for motorists, transit riders, bicyclists and pedestrians – is our highest priority while building Montlake Project elements. If Graham's design plan for avoiding the market building proves feasible, the contractor will still have to shift Montlake Boulevard traffic lanes and build temporary sidewalk on the gas station portion of the property to keep safe travel routes open. In addition, Graham will have to build temporary sidewalks to the east edge of the Montlake Market building, which directly abuts the city right-of-way line.

2. Question: Why can't WSDOT buy only the gas station property?

Response: As we've said previously, we need the market and gas station property to construct permanent Montlake Project improvements, enable traffic shifts on Montlake Boulevard during construction, and ensure safe public travel during construction. As noted above, we also need the properties to accommodate construction staging. We are, however, working to see if it is practicable to meet our project needs while preserving the market building and potentially allowing continued operations of the Montlake Market.

3. Question: How can it possibly cost \$20 million to preserve the market? Those costs seem too high.

Response: WSDOT worked with our Montlake Project contractor to estimate an approximate cost range of \$15 million to \$20 million to preserve the Montlake Market building and, potentially, allow the market to continue operating throughout Montlake Project construction. We have not set the final parameters, however, for any possible changes in the project's construction plans and have not negotiated a final cost for such changes. Any final costs could be lower or higher after negotiations are complete. The unbudgeted, market-related cost drivers include:

i. Contracting costs

1. **Longer construction schedule:** Daily costs of an extended contract schedule are estimated at \$50,000/day for equipment rentals, staffing, etc.
2. **Risk contingency funds:** Funds to cover unknown factors such as potential damage to the market building during construction or additional delay in the construction schedule.
3. **Additional sales tax:** Even on a state project, our contractor must pay sales tax to the state of Washington, including sales tax on unanticipated work.

ii. Mobility costs

1. **Pedestrian routing:** New sidewalk, grading, lighting and other measures to safely route pedestrians around the market building during construction.
2. **Traffic control:** Additional traffic control due to an extended contract schedule.
3. **Liability:** Extra liability insurance and accident concerns associated with conducting major construction immediately adjacent to an operating business.

iii. Building costs

1. **Maintenance:** Utilities, repairs and maintenance on the market building.
2. **Structural support:** The potential for having to construct a shoring wall around a portion of the market building to protect the market when removing underground gas-station tanks and cleaning up contaminated soil.

- iv. **Costs due to loss of staging area for up to 2.5 years (the duration of off-site staging drives the cost total)**
 - 1. **Off-site staging space rental:** Rental of off-site equipment staging area(s) and costs to move equipment to the work site.
 - 2. **Worker parking rental:** Rental of off-site worker parking.
 - 3. **Worker shuttling:** Vehicle rental/driver to shuttle workers from off-site parking to the work zone, and paid travel time for workers.
 - v. **Utilities**
 - 1. **54-inch waterline impacts:** Inefficiencies in waterline replacement due to a smaller access pit and limited work-zone access on the south side of SR 520.
4. **Why doesn't your cost estimate to preserve the market factor in various other costs drivers – acquiring the property, cleaning up the property, reducing nearby property values, and savings from Graham's plan, for instance?**

Response: The cost estimates noted in the answer to question #3 are direct costs WSDOT could incur to preserve the market building and potentially allow the Montlake Market to continue operating. Below we discuss the "other cost drivers" cited in this question:

- i. **Property acquisition:** As stated earlier, WSDOT needs to acquire the property for a variety of reasons. It's not feasible to complete the Montlake Project without the acquisition. Thus, the cost of acquiring the property is not a factor in the cost of preserving the market; after construction, WSDOT will sell the property not used for permanent corridor improvements, recouping some of the acquisition costs.
- ii. **Site cleanup:** WSDOT does not own the Montlake property at this time. The current property owner and business operators have a legal and financial responsibility for property cleanup and remediation costs. Should WSDOT acquire the property with contaminants still in place, then WSDOT will develop and implement a cleanup plan, and pursue options to recover cleanup costs. Site cleanup would likely happen regardless of whether the market building is in place. While the presence of the building may affect the cleanup means and methods, it's too early to tell how that may influence the cleanup cost.
- iii. **Property-value reduction:** It is difficult to accurately estimate the effect the Montlake Project will have on neighborhood property values. Many factors are involved. The new landscaped Montlake lid and multimodal transit hub may increase property values. The potential loss of the Montlake Market may have an effect, although another small market exists four blocks south.
- iv. **Potential cost savings from Graham's plan:** These cost estimates are an effort to identify direct, added costs that WSDOT would need to pay to preserve the potential for an operating market. While Graham's plan may have included cost-saving measures, WSDOT awarded and executed a fixed-bid, \$455 million contract with Graham to complete the design and construction of the Montlake Project's planned elements. WSDOT received the benefit of Graham's cost-saving ideas during the competitive bidding process. Any additional costs related to preserving the Montlake Market would require funding in addition to what the SR 520 Program has budgeted and what the state's Connecting Washington transportation legislation has funded.

5. Question: Rather than preserving the Market, could you put the \$20 million toward enhancing a different part of the project?

Response: WSDOT does not have an extra \$15 million to \$20 million in its Montlake Project budget to cover the estimated cost of preserving the market. To find that money, WSDOT would need to get a special appropriation from the Legislature, reduce the scope of the Montlake Project, reduce the scope of future SR 520 projects, or take funds away from other state highway projects around the state, which would also likely require legislative approval. If the market cannot be preserved, WSDOT would avoid an unbudgeted increase in Montlake Project costs.

6. Question: Why are you buying a property you know will likely need to be cleaned up? Shouldn't the current property owner pay for cleanup?

Response: As noted in question #1, WSDOT needs the property for a variety of reasons, regardless of the presence of soil and groundwater contaminants. Should WSDOT acquire the property with contaminants still in place, we'll develop and implement a property remediation plan. While WSDOT will pay up front the cost of cleanup, we'll also pursue options to recover the costs from responsible parties.

7. Question: What are the plans for the lid? Could you place the market or housing there?

Response: The lid's current design, based on years of interaction with the community, the city of Seattle, the Seattle Design Commission, the Legislature and other stakeholders, features landscaped open space for public gatherings and recreation, a transit hub, bicycle and pedestrian paths, and an improved Montlake interchange. Placing a commercial business on the lid would not conform to the approved design plan or the project's Environmental Impact Statement.

8. Question: Could you just rebuild the market on the same property when you're done?

Response: WSDOT does not intend to own the Montlake Property long-term. At the end of SR 520 construction, WSDOT will sell the property, minus any portion used for permanent improvements. At that point, the property will be in the hands of the purchaser, who could redevelop the property, keep the current building if it's preserved, or possibly build a new market building, at the new owner's discretion. For reference, the market property is currently zoned as "Neighborhood Commercial," which the city of Seattle defines as "a small shopping area that provides primarily convenience retail sales and services to the surrounding residential neighborhood."

9. Question: In the SR 520 Environmental Impact Statement, the SR 520 Trail did not extend across the Portage Bay Bridge. Why will it now extend to I-5, and why on the south side?

Response: In the 2011 SR 520 Final Environmental Impact Statement, the SR 520 Trail did not extend over Portage Bay. This extension was included as part of the 2011-2012 Seattle Community Design Process after feedback from the community. The desire was to allow bicycle riders and walkers to easily, directly and safely connect from the new SR 520 floating bridge to Capitol Hill via Montlake, as well as to bicycle routes connecting to Eastlake, South Lake Union and downtown. The trail was added onto the bridge's south side as it was easier to connect to land there, rather than on the north side. At the west end of the Portage Bay Bridge, a universally accessible trail connection along the bridge's north side is not possible because of steep grades as well as lack of right-of-way due to adjacent residences.

10. Question: What public review will there be on Graham's proposals, such as the shortened lid and temporary on-ramp?

Response: The Seattle Design Commission will review Graham proposals involving urban-design issues, and the city of Seattle will review all work within the city's right of way. The commission is a public review board with a lead role in advising the city of Seattle on the design of various projects within Seattle. Additionally, there will be opportunity to comment on Graham's design at upcoming Montlake Project open houses the contractor will host. We have had considerable public input on the project's design already, including:

- I. the [Seattle Community Design Process](#) in 2012;
- II. continued design consultation with neighborhood stakeholders in 2014-2015, focusing on the design of the Portage Bay Bridge and Montlake lid, as documented in the 2016 [Final Concept Design Report](#); and
- III. continued coordination with the Seattle Design Commission in 2016 on a public process to [refine the design](#) of the Montlake lid and land bridge in preparation for selecting a contractor to build the Montlake Project.